

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 92, between lines 34 and 35, begin a new paragraph and insert:
- 2 "SECTION 108. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006,
- 3 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2008]: Sec. 1. (a) On or before August 1 of each year, the
- 5 county auditor shall send a certified statement, under the seal of the
- 6 board of county commissioners, to the fiscal officer of each political
- 7 subdivision of the county and the department of local government
- 8 finance. The statement shall contain:
- 9 (1) information concerning the assessed valuation in the political
- 10 subdivision for the next calendar year;
- 11 (2) an estimate of the taxes to be distributed to the political
- 12 subdivision during the last six (6) months of the current calendar
- 13 year;
- 14 (3) the current assessed valuation as shown on the abstract of
- 15 charges;
- 16 (4) the average growth in assessed valuation in the political
- 17 subdivision over the preceding three (3) budget years, excluding
- 18 years in which a general reassessment occurs, determined
- 19 according to procedures established by the department of local
- 20 government finance;
- 21 (5) the amount of the political subdivision's assessed valuation
- 22 reduction determined under section 0.5(d) of this chapter; and
- 23 (6) any other information at the disposal of the county auditor that
- 24 might affect the assessed value used in the budget adoption

1 process.

2 (b) The estimate of taxes to be distributed shall be based on:

3 (1) the abstract of taxes levied and collectible for the current
4 calendar year, less any taxes previously distributed for the
5 calendar year; and

6 (2) any other information at the disposal of the county auditor
7 which might affect the estimate.

8 (c) The fiscal officer of each political subdivision shall present the
9 county auditor's statement to the proper officers of the political
10 subdivision.

11 (d) Subject to subsection (e), ~~and except as provided in subsection~~
12 ~~(f)~~, after the county auditor sends a certified statement under subsection
13 (a) or an amended certified statement under this subsection with
14 respect to a political subdivision and before the department of local
15 government finance certifies its action with respect to the political
16 subdivision under section 16(f) of this chapter, the county auditor may
17 amend the information concerning assessed valuation included in the
18 earlier certified statement. The county auditor shall send a certified
19 statement amended under this subsection, under the seal of the board
20 of county commissioners, to:

21 (1) the fiscal officer of each political subdivision affected by the
22 amendment; and

23 (2) the department of local government finance.

24 (e) Except as provided in subsection ~~(g)~~; ~~(f)~~, before the county
25 auditor makes an amendment under subsection (d), the county auditor
26 must provide an opportunity for public comment on the proposed
27 amendment at a public hearing. The county auditor must give notice of
28 the hearing under IC 5-3-1. If the county auditor makes the amendment
29 as a result of information provided to the county auditor by an assessor,
30 the county auditor shall give notice of the public hearing to the
31 assessor.

32 ~~(f) Subsection (d) does not apply to an adjustment of assessed~~
33 ~~valuation under IC 36-7-15.1-26.9(d).~~

34 ~~(g)~~ ~~(f)~~ The county auditor is not required to hold a public hearing
35 under subsection (e) if:

36 (1) the amendment under subsection (d) is proposed to correct a
37 mathematical error made in the determination of the amount of
38 assessed valuation included in the earlier certified statement;

39 (2) the amendment under subsection (d) is proposed to add to the
40 amount of assessed valuation included in the earlier certified
41 statement assessed valuation of omitted property discovered after
42 the county auditor sent the earlier certified statement; or

43 (3) the county auditor determines that the amendment under
44 subsection (d) will not result in an increase in the tax rate or tax
45 rates of the political subdivision."

46 Page 152, between lines 27 and 28, begin a new paragraph and

1 insert:

2 "SECTION 169. IC 6-1.1-39-5, AS AMENDED BY P.L.154-2006,
3 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2008]: Sec. 5. (a) A declaratory ordinance adopted under
5 section 2 of this chapter and confirmed under section 3 of this chapter
6 must include a provision with respect to the allocation and distribution
7 of property taxes for the purposes and in the manner provided in this
8 section. The allocation provision must apply to the entire economic
9 development district. **After June 30, 2008, a declaratory ordinance**
10 **may not be amended to postpone the expiration of the allocation**
11 **provision.** The allocation provisions must require that any property
12 taxes subsequently levied by or for the benefit of any public body
13 entitled to a distribution of property taxes on taxable property in the
14 economic development district be allocated and distributed as follows:

15 (1) Except as otherwise provided in this section, the proceeds of
16 the taxes attributable to the lesser of:

17 (A) the assessed value of the property for the assessment date
18 with respect to which the allocation and distribution is made;

19 or

20 (B) the base assessed value;
21 shall be allocated to and, when collected, paid into the funds of
22 the respective taxing units. However, if the effective date of the
23 allocation provision of a declaratory ordinance is after March 1,
24 1985, and before January 1, 1986, and if an improvement to
25 property was partially completed on March 1, 1985, the unit may
26 provide in the declaratory ordinance that the taxes attributable to
27 the assessed value of the property as finally determined for March
28 1, 1984, shall be allocated to and, when collected, paid into the
29 funds of the respective taxing units.

30 (2) Except as otherwise provided in this section, part or all of the
31 property tax proceeds in excess of those described in subdivision
32 (1), as specified in the declaratory ordinance, shall be allocated to
33 the unit for the economic development district and, when
34 collected, paid into a special fund established by the unit for that
35 economic development district that may be used only to pay the
36 principal of and interest on obligations owed by the unit under
37 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
38 industrial development programs in, or serving, that economic
39 development district. The amount not paid into the special fund
40 shall be paid to the respective units in the manner prescribed by
41 subdivision (1).

42 (3) When the money in the fund is sufficient to pay all
43 outstanding principal of and interest (to the earliest date on which
44 the obligations can be redeemed) on obligations owed by the unit
45 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
46 of industrial development programs in, or serving, that economic

development district, money in the special fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subdivision (1).

(b) Property tax proceeds allocable to the economic development district under subsection (a)(2) must, subject to subsection (a)(3), be irrevocably pledged by the unit for payment as set forth in subsection (a)(2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the economic development district that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory ordinance is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Notwithstanding any other law, each assessor shall, upon petition of the fiscal body, reassess the taxable property situated upon or in, or added to, the economic development district effective on the next assessment date after the petition.

(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation ~~property tax replacement (except as provided in IC 6-1.1-21-3(c), IC 6-1.1-21-4(a)(3), and IC 6-1.1-21-5(c))~~, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

- (1) taxes imposed under this article on real property; and
- (2) any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the economic development district. However, the ordinance may not

limit the allocation to taxes on depreciable personal property with any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Subdivision (2) applies only to economic development districts established after June 30, 1997, and to additional areas established after June 30, 1997.

SECTION 170. IC 6-1.1-39-6, AS AMENDED BY P.L.219-2007, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. ~~(a)~~ An economic development district may be enlarged by the fiscal body by following the same procedure for the creation of an economic development district specified in this chapter. Property taxes that are attributable to the additional area and allocable to the economic development district are not eligible for the property tax replacement credit provided by IC 6-1.1-21-5. However, subject to subsection (c) and except as provided in subsection (f), each taxpayer in an additional area is entitled to an additional credit for taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable in that year. Except as provided in subsection (f), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2). This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district in a county that contains all or part of the additional area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

1 (A) the STEP TWO quotient; times

2 (B) the total amount of the taxpayer's taxes (as defined in
3 IC 6-1.1-21-2) levied in the taxing district that would have
4 been allocated to a special fund under section 5 of this chapter
5 had the additional credit described in this section not been
6 given.

7 The additional credit reduces the amount of proceeds allocated to the
8 economic development district and paid into a special fund under
9 section 5(a) of this chapter.

10 (b) If the additional credit under subsection (a) is not reduced under
11 subsection (c) or (d); the credit for property tax replacement under
12 IC 6-1.1-21-5 and the additional credit under subsection (a) shall be
13 computed on an aggregate basis for all taxpayers in a taxing district
14 that contains all or part of an additional area. The credit for property
15 tax replacement under IC 6-1.1-21-5 and the additional credit under
16 subsection (a) shall be combined on the tax statements sent to each
17 taxpayer.

18 (c) The county fiscal body may, by ordinance, provide that the
19 additional credit described in subsection (a):

20 (1) does not apply in a specified additional area; or

21 (2) is to be reduced by a uniform percentage for all taxpayers in
22 a specified additional area.

23 (d) Whenever the county fiscal body determines that granting the
24 full additional credit under subsection (a) would adversely affect the
25 interests of the holders of bonds or other contractual obligations that
26 are payable from allocated tax proceeds in that economic development
27 district in a way that would create a reasonable expectation that those
28 bonds or other contractual obligations would not be paid when due; the
29 county fiscal body must adopt an ordinance under subsection (c) to
30 deny the additional credit or reduce the additional credit to a level that
31 creates a reasonable expectation that the bonds or other obligations will
32 be paid when due. An ordinance adopted under subsection (c) denies
33 or reduces the additional credit for taxes (as defined in IC 6-1.1-21-2)
34 first due and payable in any year following the year in which the
35 ordinance is adopted.

36 (e) An ordinance adopted under subsection (c) remains in effect
37 until the ordinance is rescinded by the body that originally adopted the
38 ordinance. However, an ordinance may not be rescinded if the
39 rescission would adversely affect the interests of the holders of bonds
40 or other obligations that are payable from allocated tax proceeds in that
41 economic development district in a way that would create a reasonable
42 expectation that the principal of or interest on the bonds or other
43 obligations would not be paid when due. If an ordinance is rescinded
44 and no other ordinance is adopted, the additional credit described in
45 subsection (a) applies to taxes (as defined in IC 6-1.1-21-2) first due
46 and payable in each year following the year in which the resolution is

1 rescinded.

2 (f) This subsection applies to an additional area only to the extent
 3 that the net assessed value of property that is assessed as residential
 4 property under the rules of the department of local government finance
 5 is not included in the base assessed value. If property tax installments
 6 with respect to a homestead (as defined in IC 6-1.1-20-9-1) are due in
 7 installments established by the department of local government finance
 8 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
 9 additional area is entitled to an additional credit under subsection (a)
 10 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
 11 credit shall be applied in the same proportion to each installment of
 12 taxes (as defined in IC 6-1.1-21-2)."

13 Page 215, after line 42, begin a new paragraph and insert:

14 "SECTION 207. IC 8-22-3.5-9, AS AMENDED BY P.L.97-2007,
 15 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2008]: Sec. 9. (a) As used in this section, "base assessed
 17 value" means:

18 (1) the net assessed value of all the tangible property as finally
 19 determined for the assessment date immediately preceding the
 20 effective date of the allocation provision of the commission's
 21 resolution adopted under section 5 or 9.5 of this chapter,
 22 notwithstanding the date of the final action taken under section 6
 23 of this chapter; plus

24 (2) to the extent it is not included in subdivision (1), the net
 25 assessed value of property that is assessed as residential property
 26 under the rules of the department of local government finance, as
 27 finally determined for any assessment date after the effective date
 28 of the allocation provision.

29 However, subdivision (2) applies only to an airport development zone
 30 established after June 30, 1997, and the portion of an airport
 31 development zone established before June 30, 1997, that is added to an
 32 existing airport development zone.

33 (b) A resolution adopted under section 5 of this chapter and
 34 confirmed under section 6 of this chapter must include a provision with
 35 respect to the allocation and distribution of property taxes for the
 36 purposes and in the manner provided in this section. **After June 30,**
 37 **2008, a resolution adopted under section 5 of this chapter may not**
 38 **be amended to postpone the expiration of the allocation provision.**

39 (c) The allocation provision must:

40 (1) apply to the entire airport development zone; and
 41 (2) require that any property tax on taxable tangible property
 42 subsequently levied by or for the benefit of any public body
 43 entitled to a distribution of property taxes in the airport
 44 development zone be allocated and distributed as provided in
 45 subsections (d) and (e).

46 (d) Except as otherwise provided in this section, the proceeds of the

taxes attributable to the lesser of:

(1) the assessed value of the tangible property for the assessment date with respect to which the allocation and distribution is made;

or

(2) the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units.

(e) All of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds. ~~as follows:~~

~~(1) The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.~~

~~(2) The commission may determine that a portion of tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds or a loan contract of the airport authority for a qualified airport development project, to the payment of leases for a qualified airport development project, or to the payment of principal and interest on bonds issued by an eligible entity to pay for qualified airport development projects in the airport development zone or serving the airport development zone.~~

~~(3) The commission may determine that a part of the tax proceeds shall be allocated to a project fund and used to pay expenses incurred by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.~~

~~(4) Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1); (2); and (3) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.~~

(f) If the tax proceeds allocated ~~to the project fund in~~ **under** subsection ~~(e)(3)~~ **(e)** exceed the amount necessary to satisfy amounts required under subsection (e), the excess ~~in the project fund over that amount~~ shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) When money in the debt service fund ~~and in the project fund~~ is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport

development projects, all lease rentals payable on leases of qualified airport development projects, and all costs and expenditures associated with all qualified airport development projects, money in the debt service fund ~~and in the project fund~~ in excess of those amounts shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Property tax proceeds allocable to the debt service fund under subsection ~~(c)(2)~~ (e) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection ~~(c)(2)~~ (e).

(i) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the tangible property as valued without regard to this section; or
- (2) the base assessed value.

SECTION 208. IC 8-22-3.5-14, AS AMENDED BY P.L.124-2006, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. (a) This section applies only to an airport development zone that is in a:

- (1) city described in section 1(2) of this chapter; or
- (2) county described in section 1(3), 1(4), or 1(6) of this chapter.

(b) Notwithstanding any other law, a business or an employee of a business that is located in an airport development zone is entitled to the benefits provided by the following statutes, as if the business were located in an enterprise zone:

- (1) IC 6-1.1-20.8.
- (2) IC 6-3-2-8.
- (3) IC 6-3-3-10.
- (4) IC 6-3.1-7.
- (5) IC 6-3.1-9.
- (6) IC 6-3.1-10-6.

(c) Before June 1 of each year, a business described in subsection (b) must pay a fee equal to the amount of the fee that is required for enterprise zone businesses under IC 5-28-15-5(a)(4)(A). However, notwithstanding IC 5-28-15-5(a)(4)(A), the fee shall be paid into the debt service fund established under section ~~9(c)(2)~~ (9)(e) of this chapter. If the commission determines that a business has failed to pay the fee required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(d) A business that receives any of the benefits described in subsection (b) must use all of those benefits, except for the amount of the fee required by subsection (c), for its property or employees in the airport development zone and to assist the commission. If the commission determines that a business has failed to use its benefits in the manner required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(e) If the commission determines that a business has failed to pay the fee required by subsection (c) or has failed to use benefits in the manner required by subsection (d), the commission shall provide written notice of the determination to the department of state revenue, the department of local government finance, and the county auditor."

Page 216, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 211. IC 12-19-1.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. If a governing body does not impose a special assessment under section 9 of this chapter, ~~or deny all or part of the additional credit under section 10 of this chapter,~~ the governing body may, in order to provide sufficient funds to repay the obligations described in section 8(a) of this chapter, use any tax increment revenues that exceed:

- (1) the amount pledged to pay the principal and interest of obligations; and
- (2) any amounts used to provide debt service reserve for obligations payable solely or in part from tax increment revenues or from other revenues."

Page 240, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 237. IC 36-7-14-39, AS AMENDED BY P.L.154-2006, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

- (1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

- (A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

- (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government

- 1 finance, as finally determined for any assessment date after the
 2 effective date of the allocation provision.
- 3 (2) If an allocation provision is adopted after June 30, 1997, in a
 4 declaratory resolution or an amendment to a declaratory
 5 resolution establishing a redevelopment project area:
- 6 (A) the net assessed value of all the property as finally
 7 determined for the assessment date immediately preceding the
 8 effective date of the allocation provision of the declaratory
 9 resolution, as adjusted under subsection (h); plus
- 10 (B) to the extent that it is not included in clause (A), the net
 11 assessed value of property that is assessed as residential
 12 property under the rules of the department of local government
 13 finance, as finally determined for any assessment date after the
 14 effective date of the allocation provision.
- 15 (3) If:
- 16 (A) an allocation provision adopted before June 30, 1995, in
 17 a declaratory resolution or an amendment to a declaratory
 18 resolution establishing a redevelopment project area expires
 19 after June 30, 1997; and
- 20 (B) after June 30, 1997, a new allocation provision is included
 21 in an amendment to the declaratory resolution;
- 22 the net assessed value of all the property as finally determined for
 23 the assessment date immediately preceding the effective date of
 24 the allocation provision adopted after June 30, 1997, as adjusted
 25 under subsection (h).
- 26 (4) Except as provided in subdivision (5), for all other allocation
 27 areas, the net assessed value of all the property as finally
 28 determined for the assessment date immediately preceding the
 29 effective date of the allocation provision of the declaratory
 30 resolution, as adjusted under subsection (h).
- 31 (5) If an allocation area established in an economic development
 32 area before July 1, 1995, is expanded after June 30, 1995, the
 33 definition in subdivision (1) applies to the expanded part of the
 34 area added after June 30, 1995.
- 35 (6) If an allocation area established in a redevelopment project
 36 area before July 1, 1997, is expanded after June 30, 1997, the
 37 definition in subdivision (2) applies to the expanded part of the
 38 area added after June 30, 1997.
- 39 Except as provided in section 39.3 of this chapter, "property taxes"
 40 means taxes imposed under IC 6-1.1 on real property. However, upon
 41 approval by a resolution of the redevelopment commission adopted
 42 before June 1, 1987, "property taxes" also includes taxes imposed
 43 under IC 6-1.1 on depreciable personal property. If a redevelopment
 44 commission adopted before June 1, 1987, a resolution to include within
 45 the definition of property taxes taxes imposed under IC 6-1.1 on
 46 depreciable personal property that has a useful life in excess of eight

(8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. **After June 30, 2008, a declaratory resolution may not be amended to postpone the expiration of the allocation provision.** The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or

- 1 refinancing the redevelopment of that allocation area.
- 2 (B) Establish, augment, or restore the debt service reserve for
- 3 bonds payable solely or in part from allocated tax proceeds in
- 4 that allocation area.
- 5 (C) Pay the principal of and interest on bonds payable from
- 6 allocated tax proceeds in that allocation area and from the
- 7 special tax levied under section 27 of this chapter.
- 8 (D) Pay the principal of and interest on bonds issued by the
- 9 unit to pay for local public improvements in or serving that
- 10 allocation area.
- 11 (E) Pay premiums on the redemption before maturity of bonds
- 12 payable solely or in part from allocated tax proceeds in that
- 13 allocation area.
- 14 (F) Make payments on leases payable from allocated tax
- 15 proceeds in that allocation area under section 25.2 of this
- 16 chapter.
- 17 (G) Reimburse the unit for expenditures made by it for local
- 18 public improvements (which include buildings, parking
- 19 facilities, and other items described in section 25.1(a) of this
- 20 chapter) in or serving that allocation area.
- 21 (H) Reimburse the unit for rentals paid by it for a building or
- 22 parking facility in or serving that allocation area under any
- 23 lease entered into under IC 36-1-10.
- 24 (I) Pay all or a part of a property tax replacement credit to
- 25 taxpayers in an allocation area as determined by the
- 26 redevelopment commission. This credit equals the amount
- 27 determined under the following STEPS for each taxpayer in a
- 28 taxing district (as defined in IC 6-1.1-1-20) that contains all or
- 29 part of the allocation area:
- 30 STEP ONE: Determine that part of the sum of the amounts
- 31 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
- 32 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
- 33 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 34 STEP TWO: Divide:
- 35 (i) that part of each county's eligible property tax
- 36 replacement amount (as defined in IC 6-1.1-21-2) for that
- 37 year as determined under IC 6-1.1-21-4 that is attributable
- 38 to the taxing district; by
- 39 (ii) the STEP ONE sum.
- 40 STEP THREE: Multiply:
- 41 (i) the STEP TWO quotient; times
- 42 (ii) the total amount of the taxpayer's taxes (as defined in
- 43 IC 6-1.1-21-2) levied in the taxing district that have been
- 44 allocated during that year to an allocation fund under this
- 45 section.
- 46 If not all the taxpayers in an allocation area receive the credit

in full; each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the

1 lesser of:

2 (1) the assessed value of the property for the assessment date with
3 respect to which the allocation and distribution is made; or

4 (2) the base assessed value.

5 (d) Property tax proceeds allocable to the redevelopment district
6 under subsection (b)(2) may, subject to subsection (b)(3), be
7 irrevocably pledged by the redevelopment district for payment as set
8 forth in subsection (b)(2).

9 (e) Notwithstanding any other law, each assessor shall, upon
10 petition of the redevelopment commission, reassess the taxable
11 property situated upon or in, or added to, the allocation area, effective
12 on the next assessment date after the petition.

13 (f) Notwithstanding any other law, the assessed value of all taxable
14 property in the allocation area, for purposes of tax limitation, property
15 tax replacement, and formulation of the budget, tax rate, and tax levy
16 for each political subdivision in which the property is located is the
17 lesser of:

18 (1) the assessed value of the property as valued without regard to
19 this section; or

20 (2) the base assessed value.

21 (g) If any part of the allocation area is located in an enterprise zone
22 created under IC 5-28-15, the unit that designated the allocation area
23 shall create funds as specified in this subsection. A unit that has
24 obligations, bonds, or leases payable from allocated tax proceeds under
25 subsection (b)(2) shall establish an allocation fund for the purposes
26 specified in subsection (b)(2) and a special zone fund. Such a unit
27 shall, until the end of the enterprise zone phase out period, deposit each
28 year in the special zone fund any amount in the allocation fund derived
29 from property tax proceeds in excess of those described in subsection
30 (b)(1) from property located in the enterprise zone that exceeds the
31 amount sufficient for the purposes specified in subsection (b)(2) for the
32 year. The amount sufficient for purposes specified in subsection (b)(2)
33 for the year shall be determined based on the pro rata portion of such
34 current property tax proceeds from the part of the enterprise zone that
35 is within the allocation area as compared to all such current property
36 tax proceeds derived from the allocation area. A unit that has no
37 obligations, bonds, or leases payable from allocated tax proceeds under
38 subsection (b)(2) shall establish a special zone fund and deposit all the
39 property tax proceeds in excess of those described in subsection (b)(1)
40 in the fund derived from property tax proceeds in excess of those
41 described in subsection (b)(1) from property located in the enterprise
42 zone. The unit that creates the special zone fund shall use the fund
43 (based on the recommendations of the urban enterprise association) for
44 programs in job training, job enrichment, and basic skill development
45 that are designed to benefit residents and employers in the enterprise
46 zone or other purposes specified in subsection (b)(2), except that where

reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 238. IC 36-7-14-48, AS AMENDED BY P.L.219-2007, SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 48. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 45 of this chapter, "base assessed value" means the net assessed value of all of the property, other than personal property, as finally

determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of any infrastructure (including streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) Providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4(a)(1) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

- 1 (A) the STEP TWO quotient; by
- 2 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in
- 3 the taxing district allocated to the allocation fund, including
- 4 the amount that would have been allocated but for the credit.
- 5 (d) The commission may determine to grant to taxpayers in an
- 6 allocation area from its allocation fund a credit under this section, as
- 7 calculated under subsection (c). Except as provided in subsection (g),
- 8 one-half (1/2) of the credit shall be applied to each installment of taxes
- 9 (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and
- 10 payable in a year. The commission must provide for the credit annually
- 11 by a resolution and must find in the resolution the following:
- 12 (1) That the money to be collected and deposited in the allocation
- 13 fund, based upon historical collection rates, after granting the
- 14 credit will equal the amounts payable for contractual obligations
- 15 from the fund, plus ten percent (10%) of those amounts.
- 16 (2) If bonds payable from the fund are outstanding, that there is
- 17 a debt service reserve for the bonds that at least equals the amount
- 18 of the credit to be granted.
- 19 (3) If bonds of a lessor under section 25.2 of this chapter or under
- 20 IC 36-1-10 are outstanding and if lease rentals are payable from
- 21 the fund, that there is a debt service reserve for those bonds that
- 22 at least equals the amount of the credit to be granted.
- 23 If the tax increment is insufficient to grant the credit in full, the
- 24 commission may grant the credit in part, prorated among all taxpayers.
- 25 (e) Notwithstanding section 39(b) of this chapter, the allocation
- 26 fund established under section 39(b) of this chapter for the allocation
- 27 area for a program adopted under section 45 of this chapter may only
- 28 be used to do one (1) or more of the following:
- 29 (1) Accomplish one (1) or more of the actions set forth in section
- 30 39(b)(2)(A) through ~~39(b)(2)(H) and 39(b)(2)(J) of this chapter~~
- 31 ~~for property that is residential in nature: 39(b)(2)(F).~~
- 32 (2) Reimburse the county or municipality for expenditures made
- 33 by the county or municipality in order to accomplish the housing
- 34 program in that allocation area.
- 35 The allocation fund may not be used for operating expenses of the
- 36 commission.
- 37 (f) Notwithstanding section 39(b) of this chapter, the commission
- 38 shall, relative to the allocation fund established under section 39(b) of
- 39 this chapter for an allocation area for a program adopted under section
- 40 45 of this chapter, do the following before July 15 of each year:
- 41 (1) Determine the amount, if any, by which property taxes payable
- 42 to the allocation fund in the following year will exceed the
- 43 amount of property taxes necessary:
- 44 (A) to make, when due, principal and interest payments on
- 45 bonds described in section 39(b)(2) of this chapter;
- 46 (B) to pay the amount necessary for other purposes described

1 in section 39(b)(2) of this chapter; and
 2 (C) to reimburse the county or municipality for anticipated
 3 expenditures described in subsection (e)(2).

4 (2) Notify the county auditor of the amount, if any, of excess
 5 property taxes that the commission has determined may be paid
 6 to the respective taxing units in the manner prescribed in section
 7 39(b)(1) of this chapter.

8 (g) This subsection applies to an allocation area only to the extent
 9 that the net assessed value of property that is assessed as residential
 10 property under the rules of the department of local government finance
 11 is not included in the base assessed value. If property tax installments
 12 with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in
 13 installments established by the department of local government finance
 14 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
 15 allocation area is entitled to an additional credit under subsection (d)
 16 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
 17 credit shall be applied in the same proportion to each installment of
 18 taxes (as defined in IC 6-1.1-21-2).

19 SECTION 239. IC 36-7-14.5-12.5, AS AMENDED BY
 20 P.L.219-2007, SECTION 127, IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.5. (a) This section
 22 applies only to an authority in a county having a United States
 23 government military base that is scheduled for closing or is completely
 24 or partially inactive or closed.

25 (b) In order to accomplish the purposes set forth in section 11 of this
 26 chapter, an authority may create an economic development area:

27 (1) by following the procedures set forth in IC 36-7-14-41 for the
 28 establishment of an economic development area by a
 29 redevelopment commission; and

30 (2) with the same effect as if the economic development area was
 31 created by a redevelopment commission.

32 The area established under this section shall be established only in the
 33 area where a United States government military base that is scheduled
 34 for closing or is completely or partially inactive or closed is or was
 35 located.

36 (c) In order to accomplish the purposes set forth in section 11 of this
 37 chapter, an authority may do the following in a manner that serves an
 38 economic development area created under this section:

39 (1) Acquire by purchase, exchange, gift, grant, condemnation, or
 40 lease, or any combination of methods, any personal property or
 41 interest in real property needed for the redevelopment of
 42 economic development areas located within the corporate
 43 boundaries of the unit.

44 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
 45 other instrument), exchange, lease, rent, or otherwise dispose of
 46 property acquired for use in the redevelopment of economic

development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

- 1 (16) Discharge and appoint successors to employees of the
2 authority subject to subdivision (13).
- 3 (17) Rent offices for use of the department or authority, or accept
4 the use of offices furnished by the unit.
- 5 (18) Equip the offices of the authority with the necessary
6 furniture, furnishings, equipment, records, and supplies.
- 7 (19) Design, order, contract for, and construct, reconstruct,
8 improve, or renovate the following:
9 (A) Any local public improvement or structure that is
10 necessary for redevelopment purposes or economic
11 development within the corporate boundaries of the unit.
12 (B) Any structure that enhances development or economic
13 development.
- 14 (20) Contract for the construction, extension, or improvement of
15 pedestrian skyways (as defined in IC 36-7-14-12.2(c)).
- 16 (21) Accept loans, grants, and other forms of financial assistance
17 from, or contract with, the federal government, the state
18 government, a municipal corporation, a special taxing district, a
19 foundation, or any other source.
- 20 (22) Make and enter into all contracts and agreements necessary
21 or incidental to the performance of the duties of the authority and
22 the execution of the powers of the authority under this chapter.
- 23 (23) Take any action necessary to implement the purpose of the
24 authority.
- 25 (24) Provide financial assistance, in the manner that best serves
26 the purposes set forth in section 11 of this chapter, including
27 grants and loans, to enable private enterprise to develop,
28 redevelop, and reuse military base property or otherwise enable
29 private enterprise to provide social and economic benefits to the
30 citizens of the unit.
- 31 (d) An authority may designate all or a portion of an economic
32 development area created under this section as an allocation area by
33 following the procedures set forth in IC 36-7-14-39 for the
34 establishment of an allocation area by a redevelopment commission.
35 The allocation provision may modify the definition of "property taxes"
36 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
37 depreciable personal property located and taxable on the site of
38 operations of designated taxpayers in accordance with the procedures
39 applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
40 applies to such a modification. An allocation area established by an
41 authority under this section is a special taxing district authorized by the
42 general assembly to enable the unit to provide special benefits to
43 taxpayers in the allocation area by promoting economic development
44 that is of public use and benefit. For allocation areas established for an
45 economic development area created under this section after June 30,
46 1997, and to the expanded portion of an allocation area for an

economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 ~~and IC 36-7-14-39.1 and IC 36-7-14-39.5~~ apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections. ~~and except that, notwithstanding IC 36-7-14-39(b)(2),~~ Property tax proceeds paid into the allocation fund may be used by the authority only **as follows:**

(1) To do one (1) or more of the following:

(1) ~~(A)~~ (A) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) (B) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) (C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.

(5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A); IC 6-1.1-21-2(g)(2); IC 6-1.1-21-2(g)(3); IC 6-1.1-21-2(g)(4); and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this

section:

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(2) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (1) plus the amount necessary for other purposes described in subdivision (1).

(B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units entitled to a distribution of property taxes on taxable property in the allocation area. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (1).

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any

1 combination of these sources, the authority may, by resolution, issue
 2 the bonds of the special taxing district in the name of the unit. Bonds
 3 issued under this section may be issued in any amount without
 4 limitation. The following apply if such a resolution is adopted:

5 (1) The authority shall certify a copy of the resolution authorizing
 6 the bonds to the municipal or county fiscal officer, who shall then
 7 prepare the bonds. The seal of the unit must be impressed on the
 8 bonds, or a facsimile of the seal must be printed on the bonds.

9 (2) The bonds must be executed by the appropriate officer of the
 10 unit and attested by the unit's fiscal officer.

11 (3) The bonds are exempt from taxation for all purposes.

12 (4) Bonds issued under this section may be sold at public sale in
 13 accordance with IC 5-1-11 or at a negotiated sale.

14 (5) The bonds are not a corporate obligation of the unit but are an
 15 indebtedness of the taxing district. The bonds and interest are
 16 payable, as set forth in the bond resolution of the authority:

17 (A) from the tax proceeds allocated under subsection (d);

18 (B) from other revenues available to the authority; or

19 (C) from a combination of the methods stated in clauses (A)
 20 and (B).

21 (6) Proceeds from the sale of bonds may be used to pay the cost
 22 of interest on the bonds for a period not to exceed five (5) years
 23 from the date of issuance.

24 (7) Laws relating to the filing of petitions requesting the issuance
 25 of bonds and the right of taxpayers and voters to remonstrate
 26 against the issuance of bonds do not apply to bonds issued under
 27 this section.

28 (8) If a debt service reserve is created from the proceeds of bonds,
 29 the debt service reserve may be used to pay principal and interest
 30 on the bonds as provided in the bond resolution.

31 (9) If bonds are issued under this chapter that are payable solely
 32 or in part from revenues to the authority from a project or
 33 projects, the authority may adopt a resolution or trust indenture or
 34 enter into covenants as is customary in the issuance of revenue
 35 bonds. The resolution or trust indenture may pledge or assign the
 36 revenues from the project or projects. The resolution or trust
 37 indenture may also contain any provisions for protecting and
 38 enforcing the rights and remedies of the bond owners as may be
 39 reasonable and proper and not in violation of law, including
 40 covenants setting forth the duties of the authority. The authority
 41 may establish fees and charges for the use of any project and
 42 covenant with the owners of any bonds to set those fees and
 43 charges at a rate sufficient to protect the interest of the owners of
 44 the bonds. Any revenue bonds issued by the authority that are
 45 payable solely from revenues of the authority shall contain a
 46 statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 239. IC 36-7-15.1-26, AS AMENDED BY P.L.154-2006, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a

1 declaratory resolution or an amendment to a declaratory
2 resolution establishing a redevelopment project area:

3 (A) the net assessed value of all the property as finally
4 determined for the assessment date immediately preceding the
5 effective date of the allocation provision of the declaratory
6 resolution, as adjusted under subsection (h); plus

7 (B) to the extent that it is not included in clause (A), the net
8 assessed value of property that is assessed as residential
9 property under the rules of the department of local government
10 finance, as finally determined for any assessment date after the
11 effective date of the allocation provision.

12 (3) If:

13 (A) an allocation provision adopted before June 30, 1995, in
14 a declaratory resolution or an amendment to a declaratory
15 resolution establishing a redevelopment project area expires
16 after June 30, 1997; and

17 (B) after June 30, 1997, a new allocation provision is included
18 in an amendment to the declaratory resolution;

19 the net assessed value of all the property as finally determined for
20 the assessment date immediately preceding the effective date of
21 the allocation provision adopted after June 30, 1997, as adjusted
22 under subsection (h).

23 (4) Except as provided in subdivision (5), for all other allocation
24 areas, the net assessed value of all the property as finally
25 determined for the assessment date immediately preceding the
26 effective date of the allocation provision of the declaratory
27 resolution, as adjusted under subsection (h).

28 (5) If an allocation area established in an economic development
29 area before July 1, 1995, is expanded after June 30, 1995, the
30 definition in subdivision (1) applies to the expanded part of the
31 area added after June 30, 1995.

32 (6) If an allocation area established in a redevelopment project
33 area before July 1, 1997, is expanded after June 30, 1997, the
34 definition in subdivision (2) applies to the expanded part of the
35 area added after June 30, 1997.

36 Except as provided in section 26.2 of this chapter, "property taxes"
37 means taxes imposed under IC 6-1.1 on real property. However, upon
38 approval by a resolution of the redevelopment commission adopted
39 before June 1, 1987, "property taxes" also includes taxes imposed
40 under IC 6-1.1 on depreciable personal property. If a redevelopment
41 commission adopted before June 1, 1987, a resolution to include within
42 the definition of property taxes taxes imposed under IC 6-1.1 on
43 depreciable personal property that has a useful life in excess of eight
44 (8) years, the commission may by resolution determine the percentage
45 of taxes imposed under IC 6-1.1 on all depreciable personal property
46 that will be included within the definition of property taxes. However,

the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. **After June 30, 2008, a declaratory resolution may not be amended to postpone the expiration of the allocation provision.** However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in

- 1 that allocation area.
- 2 (C) Pay the principal of and interest on bonds payable from
- 3 allocated tax proceeds in that allocation area and from the
- 4 special tax levied under section 19 of this chapter.
- 5 (D) Pay the principal of and interest on bonds issued by the
- 6 consolidated city to pay for local public improvements in that
- 7 allocation area.
- 8 (E) Pay premiums on the redemption before maturity of bonds
- 9 payable solely or in part from allocated tax proceeds in that
- 10 allocation area.
- 11 (F) Make payments on leases payable from allocated tax
- 12 proceeds in that allocation area under section 17.1 of this
- 13 chapter.
- 14 ~~(G) Reimburse the consolidated city for expenditures for local~~
- 15 ~~public improvements (which include buildings, parking~~
- 16 ~~facilities, and other items set forth in section 17 of this~~
- 17 ~~chapter) in that allocation area.~~
- 18 (H) Reimburse the unit for rentals paid by it for a building or
- 19 parking facility in that allocation area under any lease entered
- 20 into under ~~IC 36-1-10.~~
- 21 ~~(I) Reimburse public and private entities for expenses incurred~~
- 22 ~~in training employees of industrial facilities that are located:~~
- 23 ~~(i) in the allocation area; and~~
- 24 ~~(ii) on a parcel of real property that has been classified as~~
- 25 ~~industrial property under the rules of the department of local~~
- 26 ~~government finance.~~
- 27 However, the total amount of money spent for this purpose in
- 28 any year may not exceed the total amount of money in the
- 29 allocation fund that is attributable to property taxes paid by the
- 30 industrial facilities described in this clause. The
- 31 reimbursements under this clause must be made within three
- 32 (3) years after the date on which the investments that are the
- 33 basis for the increment financing are made.
- 34 The special fund may not be used for operating expenses of the
- 35 commission.
- 36 (3) Before July 15 of each year, the commission shall do the
- 37 following:
- 38 (A) Determine the amount, if any, by which the base assessed
- 39 value when multiplied by the estimated tax rate of the
- 40 allocated area will exceed the amount of assessed value
- 41 needed to provide the property taxes necessary to make, when
- 42 due, principal and interest payments on bonds described in
- 43 subdivision (2) plus the amount necessary for other purposes
- 44 described in subdivision (2) and subsection (g).
- 45 (B) Notify the county auditor of the amount, if any, of excess
- 46 assessed value that the commission has determined may be

1 allocated to the respective taxing units in the manner
2 prescribed in subdivision (1).

3 The commission may not authorize an allocation to the respective
4 taxing units under this subdivision if to do so would endanger the
5 interests of the holders of bonds described in subdivision (2).

6 (c) For the purpose of allocating taxes levied by or for any taxing
7 unit or units, the assessed value of taxable property in a territory in the
8 allocation area that is annexed by any taxing unit after the effective
9 date of the allocation provision of the resolution is the lesser of:

10 (1) the assessed value of the property for the assessment date with
11 respect to which the allocation and distribution is made; or

12 (2) the base assessed value.

13 (d) Property tax proceeds allocable to the redevelopment district
14 under subsection (b)(2) may, subject to subsection (b)(3), be
15 irrevocably pledged by the redevelopment district for payment as set
16 forth in subsection (b)(2).

17 (e) Notwithstanding any other law, each assessor shall, upon
18 petition of the commission, reassess the taxable property situated upon
19 or in, or added to, the allocation area, effective on the next assessment
20 date after the petition.

21 (f) Notwithstanding any other law, the assessed value of all taxable
22 property in the allocation area, for purposes of tax limitation, property
23 tax replacement, and formulation of the budget, tax rate, and tax levy
24 for each political subdivision in which the property is located is the
25 lesser of:

26 (1) the assessed value of the property as valued without regard to
27 this section; or

28 (2) the base assessed value.

29 (g) If any part of the allocation area is located in an enterprise zone
30 created under IC 5-28-15, the unit that designated the allocation area
31 shall create funds as specified in this subsection. A unit that has
32 obligations, bonds, or leases payable from allocated tax proceeds under
33 subsection (b)(2) shall establish an allocation fund for the purposes
34 specified in subsection (b)(2) and a special zone fund. Such a unit
35 shall, until the end of the enterprise zone phase out period, deposit each
36 year in the special zone fund the amount in the allocation fund derived
37 from property tax proceeds in excess of those described in subsection
38 (b)(1) from property located in the enterprise zone that exceeds the
39 amount sufficient for the purposes specified in subsection (b)(2) for the
40 year. A unit that has no obligations, bonds, or leases payable from
41 allocated tax proceeds under subsection (b)(2) shall establish a special
42 zone fund and deposit all the property tax proceeds in excess of those
43 described in subsection (b)(1) in the fund derived from property tax
44 proceeds in excess of those described in subsection (b)(1) from
45 property located in the enterprise zone. The unit that creates the special
46 zone fund shall use the fund, based on the recommendations of the

urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline."

Page 240, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 241. IC 36-7-15.1-35, AS AMENDED BY P.L.219-2007, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 32 of this chapter, "base assessed value" means the net assessed value of all of the land as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 26(g) of this chapter. However, "base assessed value" does not include the value of real property improvements to the land.

(b) The special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) To provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4(a)(1) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district allocated to the allocation fund; including the amount that would have been allocated but for the credit.

(d) Except as provided in subsection (g), the commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section; as calculated under subsection (c); by applying one-half (1/2) of the credit to each installment of taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable in a year. Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2). The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund; based upon historical collection rates; after granting the credit will equal the amounts payable for contractual obligations from the fund; plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding; that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 17.1 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund; that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full; the commission may grant the credit in part; prorated among all taxpayers.

(e) (c) Notwithstanding section 26(b) of this chapter, the special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may only be used to do one (1) or more of the following:

(1) Accomplish one (1) or more of the actions set forth in section

1 26(b)(2)(A) through ~~26(b)(2)(H)~~ **26(b)(2)(F)** of this chapter.

2 (2) Reimburse the consolidated city for expenditures made by the
3 city in order to accomplish the housing program in that allocation
4 area.

5 The special fund may not be used for operating expenses of the
6 commission.

7 ~~(f)~~ **(d)** Notwithstanding section 26(b) of this chapter, the
8 commission shall, relative to the special fund established under section
9 26(b) of this chapter for an allocation area for a program adopted under
10 section 32 of this chapter, do the following before July 15 of each year:

11 (1) Determine the amount, if any, by which property taxes payable
12 to the allocation fund in the following year will exceed the
13 amount of property taxes necessary:

14 (A) to make, when due, principal and interest payments on
15 bonds described in section 26(b)(2) of this chapter;

16 (B) to pay the amount necessary for other purposes described
17 in section 26(b)(2) of this chapter; and

18 (C) to reimburse the consolidated city for anticipated
19 expenditures described in subsection ~~(e)(2)~~ **(c)(2)**.

20 (2) Notify the county auditor of the amount, if any, of excess
21 property taxes that the commission has determined may be paid
22 to the respective taxing units in the manner prescribed in section
23 26(b)(1) of this chapter.

24 ~~(g)~~ This subsection applies to an allocation area only to the extent
25 that the net assessed value of property that is assessed as residential
26 property under the rules of the department of local government finance
27 is not included in the base assessed value. If property tax installments
28 with respect to a homestead (as defined in IC 6-1.1-20-9-1) are due in
29 installments established by the department of local government finance
30 under IC 6-1.1-22-9.5; each taxpayer subject to those installments in an
31 allocation area is entitled to an additional credit under subsection ~~(d)~~
32 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
33 credit shall be applied in the same proportion to each installment of
34 taxes (as defined in IC 6-1.1-21-2).

35 SECTION 242. IC 36-7-15.1-35.5, AS AMENDED BY
36 P.L.211-2007, SECTION 48, IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35.5. (a) The general
38 assembly finds the following:

39 (1) Federal law permits the sale of a multiple family housing
40 project that is or has been covered, in whole or in part, by a
41 contract for project based assistance from the United States
42 Department of Housing and Urban Development without
43 requiring the continuation of that project based assistance.

44 (2) Such a sale displaces the former residents of a multiple family
45 housing project described in subdivision (1) and increases the
46 shortage of safe and affordable housing for persons of low and

1 moderate income within the county.

2 (3) The displacement of families and individuals from affordable
3 housing requires increased expenditures of public funds for crime
4 prevention, public health and safety, fire and accident prevention,
5 and other public services and facilities.

6 (4) The establishment of a supplemental housing program under
7 this section will do the following:

8 (A) Benefit the health, safety, morals, and welfare of the
9 county and the state.

10 (B) Serve to protect and increase property values in the county
11 and the state.

12 (C) Benefit persons of low and moderate income by making
13 affordable housing available to them.

14 (5) The establishment of a supplemental housing program under
15 this section and sections 32 through 35 of this chapter is:

16 (A) necessary in the public interest; and

17 (B) a public use and purpose for which public money may be
18 spent and private property may be acquired.

19 (b) In addition to its other powers with respect to a housing program
20 under sections 32 through 35 of this chapter, the commission may
21 establish a supplemental housing program. Except as provided by this
22 section, the commission has the same powers and duties with respect
23 to the supplemental housing program that the commission has under
24 sections 32 through 35 of this chapter with respect to the housing
25 program.

26 (c) One (1) allocation area may be established for the supplemental
27 housing program. The commission is not required to make the findings
28 required under section 34(5) through 34(8) of this chapter with respect
29 to the allocation area. However, the commission must find that the
30 property contained within the boundaries of the allocation area consists
31 solely of one (1) or more multiple family housing projects that are or
32 have been covered, in whole or in part, by a contract for project based
33 assistance from the United States Department of Housing and Urban
34 Development or have been owned at one time by a public housing
35 agency. The allocation area need not be contiguous. The definition of
36 "base assessed value" set forth in section 35(a) of this chapter applies
37 to the special fund established under section 26(b) of this chapter for
38 the allocation area.

39 (d) The special fund established under section 26(b) of this chapter
40 for the allocation area established under this section may be used only
41 for the following purposes: **transferring**

42 ~~(1) Subject to subdivision (2);~~ on January 1 and July 1 of each
43 year the balance of the special fund ~~shall be transferred~~ to the
44 housing trust fund established under subsection (e).

45 ~~(2) The commission may provide each taxpayer in the allocation~~
46 ~~area a credit for property tax replacement in the manner provided~~

1 by section 35(b)(7) of this chapter. Transfers made under
 2 subdivision (1) shall be reduced by the amount necessary to
 3 provide the credit.

4 (e) The commission shall, by resolution, establish a housing trust
 5 fund to be administered, subject to the terms of the resolution, by:

- 6 (1) the housing division of the consolidated city; or
- 7 (2) the department, division, or agency that has been designated
 8 to perform the public housing function by an ordinance adopted
 9 under IC 36-7-18-1.

10 (f) The housing trust fund consists of:

- 11 (1) amounts transferred to the fund under subsection (d);
- 12 (2) payments in lieu of taxes deposited in the fund under
 13 IC 36-3-2-11;
- 14 (3) gifts and grants to the fund;
- 15 (4) investment income earned on the fund's assets;
- 16 (5) money deposited in the fund under IC 36-2-7-10(j); and
- 17 (6) other funds from sources approved by the commission.

18 (g) The commission shall, by resolution, establish uses for the
 19 housing trust fund. However, the uses must be limited to:

- 20 (1) providing financial assistance to those individuals and
 21 families whose income is at or below eighty percent (80%) of the
 22 county's median income for individuals and families, respectively,
 23 to enable those individuals and families to purchase or lease
 24 residential units within the county;
- 25 (2) paying expenses of administering the fund;
- 26 (3) making grants, loans, and loan guarantees for the
 27 development, rehabilitation, or financing of affordable housing
 28 for individuals and families whose income is at or below eighty
 29 percent (80%) of the county's median income for individuals and
 30 families, respectively, including the elderly, persons with
 31 disabilities, and homeless individuals and families; and
- 32 (4) providing technical assistance to nonprofit developers of
 33 affordable housing.

34 (h) At least fifty percent (50%) of the dollars allocated for
 35 production, rehabilitation, or purchase of housing must be used for
 36 units to be occupied by individuals and families whose income is at or
 37 below fifty percent (50%) of the county's area median income for
 38 individuals and families, respectively.

39 (i) The low income housing trust fund advisory committee is
 40 established. The low-income housing trust fund advisory committee
 41 consists of eleven (11) members. The membership of the low income
 42 housing trust fund advisory committee is comprised of:

- 43 (1) one (1) member appointed by the mayor, to represent the
 44 interests of low income families;
- 45 (2) one (1) member appointed by the mayor, to represent the
 46 interests of owners of subsidized, multifamily housing

1 communities;

2 (3) one (1) member appointed by the mayor, to represent the
3 interests of banks and other financial institutions;

4 (4) one (1) member appointed by the mayor, of the department of
5 metropolitan development;

6 (5) three (3) members representing the community at large
7 appointed by the commission, from nominations submitted to the
8 commission as a result of a general call for nominations from
9 neighborhood associations, community based organizations, and
10 other social services agencies;

11 (6) one (1) member appointed by and representing the Coalition
12 for Homeless Intervention and Prevention of Greater Indianapolis;

13 (7) one (1) member appointed by and representing the Local
14 Initiatives Support Corporation;

15 (8) one (1) member appointed by and representing the
16 Indianapolis Coalition for Neighborhood Development; and

17 (9) one (1) member appointed by and representing the
18 Indianapolis Neighborhood Housing Partnership.

19 Members of the low income housing trust fund advisory committee
20 serve for a term of four (4) years, and are eligible for reappointment. If
21 a vacancy exists on the committee, the appointing authority who
22 appointed the former member whose position has become vacant shall
23 appoint an individual to fill the vacancy. A committee member may be
24 removed at any time by the appointing authority who appointed the
25 committee member.

26 (j) The low income housing trust fund advisory committee shall
27 make recommendations to the commission regarding:

28 (1) the development of policies and procedures for the uses of the
29 low income housing trust fund; and

30 (2) long term sources of capital for the low income housing trust
31 fund, including:

32 (A) revenue from:

33 (i) development ordinances;

34 (ii) fees; or

35 (iii) taxes;

36 (B) financial market based income;

37 (C) revenue derived from private sources; and

38 (D) revenue generated from grants, gifts, donations, or income
39 in any other form, from a:

40 (i) government program;

41 (ii) foundation; or

42 (iii) corporation.

43 (k) The county treasurer shall invest the money in the fund not
44 currently needed to meet the obligations of the fund in the same
45 manner as other public funds may be invested.

46 SECTION 243. IC 36-7-15.1-53, AS AMENDED BY P.L.154-2006,

SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. **After June 30, 2008, a declaratory resolution may not be amended to postpone the expiration of the allocation provision.** However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date

1 with respect to which the allocation and distribution is made;
 2 or
 3 (B) the base assessed value;
 4 shall be allocated to and, when collected, paid into the funds of
 5 the respective taxing units.
 6 (2) Except as otherwise provided in this section, property tax
 7 proceeds in excess of those described in subdivision (1) shall be
 8 allocated to the redevelopment district and, when collected, paid
 9 into a special fund for that allocation area that may be used by the
 10 redevelopment district only to do one (1) or more of the
 11 following:
 12 (A) Pay the principal of and interest on any obligations
 13 payable solely from allocated tax proceeds that are incurred by
 14 the redevelopment district for the purpose of financing or
 15 refinancing the redevelopment of that allocation area.
 16 (B) Establish, augment, or restore the debt service reserve for
 17 bonds payable solely or in part from allocated tax proceeds in
 18 that allocation area.
 19 (C) Pay the principal of and interest on bonds payable from
 20 allocated tax proceeds in that allocation area and from the
 21 special tax levied under section 50 of this chapter.
 22 (D) Pay the principal of and interest on bonds issued by the
 23 excluded city to pay for local public improvements in that
 24 allocation area.
 25 (E) Pay premiums on the redemption before maturity of bonds
 26 payable solely or in part from allocated tax proceeds in that
 27 allocation area.
 28 (F) Make payments on leases payable from allocated tax
 29 proceeds in that allocation area under section 46 of this
 30 chapter.
 31 ~~(G) Reimburse the excluded city for expenditures for local~~
 32 ~~public improvements (which include buildings, park facilities,~~
 33 ~~and other items set forth in section 45 of this chapter) in that~~
 34 ~~allocation area.~~
 35 ~~(H) Reimburse the unit for rentals paid by it for a building or~~
 36 ~~parking facility in that allocation area under any lease entered~~
 37 ~~into under IC 36-1-10.~~
 38 ~~(I) Reimburse public and private entities for expenses incurred~~
 39 ~~in training employees of industrial facilities that are located:~~
 40 ~~(i) in the allocation area; and~~
 41 ~~(ii) on a parcel of real property that has been classified as~~
 42 ~~industrial property under the rules of the department of local~~
 43 ~~government finance.~~
 44 However, the total amount of money spent for this purpose in
 45 any year may not exceed the total amount of money in the
 46 allocation fund that is attributable to property taxes paid by the

1 industrial facilities described in this clause. The
 2 reimbursements under this clause must be made within three
 3 (3) years after the date on which the investments that are the
 4 basis for the increment financing are made.

5 The special fund may not be used for operating expenses of the
 6 commission.

7 (3) Before July 15 of each year, the commission shall do the
 8 following:

9 (A) Determine the amount, if any, by which property taxes
 10 payable to the allocation fund in the following year will exceed
 11 the amount of assessed value needed to provide the property
 12 taxes necessary to make, when due, principal and interest
 13 payments on bonds described in subdivision (2) plus the
 14 amount necessary for other purposes described in subdivision
 15 (2) and subsection (g).

16 (B) Notify the county auditor of the amount, if any, of excess
 17 assessed value that the commission has determined may be
 18 allocated to the respective taxing units in the manner
 19 prescribed in subdivision (1).

20 The commission may not authorize an allocation to the respective
 21 taxing units under this subdivision if to do so would endanger the
 22 interests of the holders of bonds described in subdivision (2).

23 (c) For the purpose of allocating taxes levied by or for any taxing
 24 unit or units, the assessed value of taxable property in a territory in the
 25 allocation area that is annexed by any taxing unit after the effective
 26 date of the allocation provision of the resolution is the lesser of:

- 27 (1) the assessed value of the property for the assessment date with
- 28 respect to which the allocation and distribution is made; or
- 29 (2) the base assessed value.

30 (d) Property tax proceeds allocable to the redevelopment district
 31 under subsection (b)(2) may, subject to subsection (b)(3), be
 32 irrevocably pledged by the redevelopment district for payment as set
 33 forth in subsection (b)(2).

34 (e) Notwithstanding any other law, each assessor shall, upon
 35 petition of the commission, reassess the taxable property situated upon
 36 or in, or added to, the allocation area, effective on the next assessment
 37 date after the petition.

38 (f) Notwithstanding any other law, the assessed value of all taxable
 39 property in the allocation area, for purposes of tax limitation, property
 40 tax replacement, and formulation of the budget, tax rate, and tax levy
 41 for each political subdivision in which the property is located, is the
 42 lesser of:

- 43 (1) the assessed value of the property as valued without regard to
- 44 this section; or
- 45 (2) the base assessed value.

46 (g) If any part of the allocation area is located in an enterprise zone

created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property

1 tax proceeds allocated to the redevelopment district under this section.
 2 However, the adjustments under this subsection may not include the
 3 effect of property tax abatements under IC 6-1.1-12.1, and these
 4 adjustments may not produce less property tax proceeds allocable to
 5 the redevelopment district under subsection (b)(2) than would
 6 otherwise have been received if the general reassessment or annual
 7 adjustment had not occurred. The department of local government
 8 finance may prescribe procedures for county and township officials to
 9 follow to assist the department in making the adjustments.

10 (i) The allocation deadline referred to in subsection (b) is
 11 determined in the following manner:

12 (1) The initial allocation deadline is December 31, 2011.

13 (2) Subject to subdivision (3), the initial allocation deadline and
 14 subsequent allocation deadlines are automatically extended in
 15 increments of five (5) years, so that allocation deadlines
 16 subsequent to the initial allocation deadline fall on December 31,
 17 2016, and December 31 of each fifth year thereafter.

18 (3) At least one (1) year before the date of an allocation deadline
 19 determined under subdivision (2), the general assembly may enact
 20 a law that:

21 (A) terminates the automatic extension of allocation deadlines
 22 under subdivision (2); and

23 (B) specifically designates a particular date as the final
 24 allocation deadline.

25 SECTION 244. IC 36-7-26-25 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 25. The board may not
 27 approve a resolution under section 16 of this chapter until the board has
 28 satisfied itself that the city in which the proposed district will be
 29 established has maximized the use of tax increment financing under
 30 IC 36-7-14 or IC 36-7-14.5 to finance public improvements within or
 31 serving the proposed district. ~~subject to the granting of an additional~~
 32 ~~credit under IC 36-7-14-39.5.~~ The city may not grant property tax
 33 abatements to the taxpayers within the proposed district or a district,
 34 except that the board may approve a resolution under section 16 of this
 35 chapter in the proposed district or a district in which real property tax
 36 abatement not to exceed three (3) years has been granted.

37 SECTION 245. IC 36-7-30-25, AS AMENDED BY P.L.154-2006,
 38 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2008]: Sec. 25. (a) The following definitions apply throughout
 40 this section:

41 (1) "Allocation area" means that part of a military base reuse area
 42 to which an allocation provision of a declaratory resolution
 43 adopted under section 10 of this chapter refers for purposes of
 44 distribution and allocation of property taxes.

45 (2) "Base assessed value" means:

46 (A) the net assessed value of all the property as finally

1 determined for the assessment date immediately preceding the
 2 adoption date of the allocation provision of the declaratory
 3 resolution, as adjusted under subsection (h); plus
 4 (B) to the extent that it is not included in clause (A) or (C), the
 5 net assessed value of any and all parcels or classes of parcels
 6 identified as part of the base assessed value in the declaratory
 7 resolution or an amendment thereto, as finally determined for
 8 any subsequent assessment date; plus
 9 (C) to the extent that it is not included in clause (A) or (B), the
 10 net assessed value of property that is assessed as residential
 11 property under the rules of the department of local government
 12 finance, as finally determined for any assessment date after the
 13 effective date of the allocation provision.

14 Clause (C) applies only to allocation areas established in a
 15 military reuse area after June 30, 1997, and to the part of an
 16 allocation area that was established before June 30, 1997, and that
 17 is added to an existing allocation area after June 30, 1997.

18 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 19 property.

20 (b) A declaratory resolution adopted under section 10 of this chapter
 21 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 22 resolutions adopted under IC 36-7-14-15 may include a provision with
 23 respect to the allocation and distribution of property taxes for the
 24 purposes and in the manner provided in this section. A declaratory
 25 resolution previously adopted may include an allocation provision by
 26 the amendment of that declaratory resolution in accordance with the
 27 procedures set forth in section 13 of this chapter. **After June 30, 2008,**
 28 **a declaratory resolution may not be amended to postpone the**
 29 **expiration of the allocation provision.** The allocation provision may
 30 apply to all or part of the military base reuse area. The allocation
 31 provision must require that any property taxes subsequently levied by
 32 or for the benefit of any public body entitled to a distribution of
 33 property taxes on taxable property in the allocation area be allocated
 34 and distributed as follows:

35 (1) Except as otherwise provided in this section, the proceeds of
 36 the taxes attributable to the lesser of:

37 (A) the assessed value of the property for the assessment date
 38 with respect to which the allocation and distribution is made;
 39 or

40 (B) the base assessed value;
 41 shall be allocated to and, when collected, paid into the funds of
 42 the respective taxing units.

43 (2) Except as otherwise provided in this section, property tax
 44 proceeds in excess of those described in subdivision (1) shall be
 45 allocated to the military base reuse district and, when collected,
 46 paid into an allocation fund for that allocation area that may be

used by the military base reuse district and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing military base reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

~~(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.~~

(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the reuse authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A); IC 6-1.1-21-2(g)(2); IC 6-1.1-21-2(g)(3); IC 6-1.1-21-2(g)(4); and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 27 of this chapter in the same year.

(F) Pay expenses incurred by the reuse authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the reuse authority.

(3) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or lessors under section 19 of this chapter. ~~Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.~~

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon

1 petition of the reuse authority, reassess the taxable property situated
2 upon or in or added to the allocation area, effective on the next
3 assessment date after the petition.

4 (f) Notwithstanding any other law, the assessed value of all taxable
5 property in the allocation area, for purposes of tax limitation, property
6 tax replacement, and the making of the budget, tax rate, and tax levy
7 for each political subdivision in which the property is located is the
8 lesser of:

9 (1) the assessed value of the property as valued without regard to
10 this section; or

11 (2) the base assessed value.

12 (g) If any part of the allocation area is located in an enterprise zone
13 created under IC 5-28-15, the unit that designated the allocation area
14 shall create funds as specified in this subsection. A unit that has
15 obligations, bonds, or leases payable from allocated tax proceeds under
16 subsection (b)(2) shall establish an allocation fund for the purposes
17 specified in subsection (b)(2) and a special zone fund. Such a unit
18 shall, until the end of the enterprise zone phase out period, deposit each
19 year in the special zone fund any amount in the allocation fund derived
20 from property tax proceeds in excess of those described in subsection
21 (b)(1) from property located in the enterprise zone that exceeds the
22 amount sufficient for the purposes specified in subsection (b)(2) for the
23 year. The amount sufficient for purposes specified in subsection (b)(2)
24 for the year shall be determined based on the pro rata part of such
25 current property tax proceeds from the part of the enterprise zone that
26 is within the allocation area as compared to all such current property
27 tax proceeds derived from the allocation area. A unit that does not have
28 obligations, bonds, or leases payable from allocated tax proceeds under
29 subsection (b)(2) shall establish a special zone fund and deposit all the
30 property tax proceeds in excess of those described in subsection (b)(1)
31 that are derived from property in the enterprise zone in the fund. The
32 unit that creates the special zone fund shall use the fund (based on the
33 recommendations of the urban enterprise association) for programs in
34 job training, job enrichment, and basic skill development that are
35 designed to benefit residents and employers in the enterprise zone or
36 other purposes specified in subsection (b)(2), except that where
37 reference is made in subsection (b)(2) to allocation area it shall refer
38 for purposes of payments from the special zone fund only to that part
39 of the allocation area that is also located in the enterprise zone. The
40 programs shall reserve at least one-half (1/2) of their enrollment in any
41 session for residents of the enterprise zone.

42 (h) After each general reassessment under IC 6-1.1-4, the
43 department of local government finance shall adjust the base assessed
44 value one (1) time to neutralize any effect of the general reassessment
45 on the property tax proceeds allocated to the military base reuse district
46 under this section. After each annual adjustment under IC 6-1.1-4-4.5,

1 the department of local government finance shall adjust the base
 2 assessed value to neutralize any effect of the annual adjustment on the
 3 property tax proceeds allocated to the military base reuse district under
 4 this section. However, the adjustments under this subsection may not
 5 include the effect of property tax abatements under IC 6-1.1-12.1, and
 6 these adjustments may not produce less property tax proceeds allocable
 7 to the military base reuse district under subsection (b)(2) than would
 8 otherwise have been received if the general reassessment or annual
 9 adjustment had not occurred. The department of local government
 10 finance may prescribe procedures for county and township officials to
 11 follow to assist the department in making the adjustments."

12 Page 244, between lines 26 and 27, begin a new paragraph and
 13 insert:

14 "SECTION 254. THE FOLLOWING ARE REPEALED
 15 [EFFECTIVE JULY 1, 2008]: IC 8-22-3.5-10; IC 12-19-1.5-10;
 16 IC 36-7-14-39.5; IC 36-7-15.1-26.5; IC 36-7-15.1-26.7;
 17 IC 36-7-15.1-26.9; IC 36-7-15.1-56; IC 36-7-30-27."

18 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed January 17, 2008.)

Representative Cherry